

Attachment 6D

TIF DISTRICT PLAN

The Town of Hartford's Tax Increment Financing (TIF) District will finance a well-studied and defined set of public improvements that will facilitate eight major redevelopment initiatives in the Hartford/White River Junction Designated Downtown and Growth Center. The TIF District Plan will implement the White River Junction Village Revitalization Plan, which details the specific investments in water, sewer, and stormwater infrastructure, transportation and traffic improvements, public parking, and streetscape needed in the historic downtown, as well as other project-specific improvements in areas within the TIF District boundary.

Statement of Purpose: It is the purpose of this TIF District to implement the specific capital investments outlined in the *White River Junction Village Revitalization Plan* and project-specific development plans to incentivize development of several major blocks in the Town of Hartford. These investments, and subsequent real estate developments, are projected to result in approximately \$62.5 million in additional taxable value for the Town. Over the life of the TIF District, 25% of the increment will go to the State and the Town of Hartford. Thus, over the 20 years, the 25% incremental increase in property taxes is projected to yield approximately \$4.9 million for the State and approximately \$2.6 million to the municipality (see Table 6N).

Background: Much of the TIF District Plan is the result of a thorough, in-depth, public evaluation of the specific improvements and strategies needed to help White River Junction prosper as the Town's economic and cultural center. In February of 2007, Town staff, the Hartford Development Corporation and key WRJ property owners and developers convened and decided it was time to take a fresh look at the existing conditions, where to go in the future, and how to get there. From the inception of the planning process, it was clear that the WRJ Revitalization Plan needed to build upon the existing urban fabric in a manner that would encourage more people to visit and relocate to White River Junction while maintaining the history, character, and scale that make it unique. The plan also needed to reflect two key themes of the community's vision which are stated in Hartford's Master Plan:

- "Increase density in already developed areas with infrastructure"; and
- "Preserve Hartford's historic settlement pattern, defined by compact villages surrounded by rural countryside."

This substantial effort, which included extensive public outreach, thoroughly evaluated the existing deficiencies that were limiting redevelopment and improvement in the Village and outlined the options for achieving the required infrastructure upgrades: parking, mobility and traffic circulation improvements; streetscape, landscape and urban design improvements; and

signage and wayfinding. The report culminated in a Capital Improvement Program that is the major basis for this TIF application.

At the onset of this TIF planning process it was recognized that the WRJ Revitalization Plan was the primary resource for understanding the redevelopment challenges and opportunities for the historic village center. The TIF District was then broadened to incorporate some blocks beyond the village center due to the physical (within minutes by foot) and economic connectivity with the core. It always was the expectation that future planning initiatives would integrate the Maple, Pine, and Prospect Streets into future commercial and residential redevelopment opportunities for the broader WRJ area. Such is the case with the recently completed Growth Center Plan and now this TIF District Plan.

All of the identified deficiencies represent limitations on the development potential of White River Junction. While incremental change and improvements might take place without dealing with these deficiencies, development capacity is significantly limited by virtue of scarce parking, insufficient traffic and circulation capacity, inadequate infrastructure, or an unappealing environment for infill and new investment. Among the most significant limitations identified by the public, the consultant team, and private developers are:

- **Insufficient Infrastructures:** Throughout White River Junction there are areas where water and wastewater lines, communications systems, and stormwater treatment are substandard and require extension, renovation or replacement to support expanded, and in some cases existing, land uses.
- **Traffic and Pedestrian Circulation Problems:** The report identified many places that have conflicts between pedestrian and vehicle traffic, inadequate provisions for transit circulation and stops (both bus and train), and poor utilization of the road network. Intersection improvements on Maple Street and connecting pedestrian walkway systems are needed to support the Prospect Street and Listen development projects. Many different options for improving circulation, connectivity and safety were evaluated and preferred alternatives were chosen for this TIF District Plan.
- **Future Parking Needs:** A parking inventory was conducted that indicates any future development will require construction of supplemental parking, particularly on the scale anticipated based on current planned development.
- **Underutilized, Unsafe, and 'Blank' Spaces:** The appeal and function of White River Junction is limited by the lack and/or poor condition of many sections of sidewalk and poor lighting levels, a notable lack of street trees and greenspace, and the under-utilization of many properties and spaces. A major focus in the plan development was on eliminating 'dead space' and connecting spaces to each other physically and visually.

- **Environmental Issues:** The existence of brownfields to be eliminated and the restoration of the riparian buffer along the Connecticut River also have been identified as added costs and barriers to development.

Necessity of Public Investment and TIF District Financing: The necessity of public investment through TIF financing to accomplish the planned and beneficial redevelopment initiatives in White River Junction is simple: enabling the redevelopment and re-purposing of a downtown area developed in the 1800s and early 1900s before modern infrastructure and transportation systems requires intensive financial investments to upgrade these systems in a manner that supports 21st-century uses and economic activity. Without provision for modern sewer, water, and stormwater systems that meet contemporary standards, appropriate roadways and parking to manage anticipated traffic, and remediation of brownfield contamination from earlier eras and standards, it is not possible to make historic blocks and areas suitable for new uses.

It is well-documented that the cost to develop and re-develop in downtowns greatly exceeds the cost per square foot or acre to develop in lower-density suburban areas that do not require complicated and structured systems for parking, transportation, or utilities. Available grant programs and municipal budgets are insufficient to provide adequate funding to overcome the differential between (as one example) surface parking of \$2,000 per space versus structured parking at \$30,000 per space, or development of roadway with utility infrastructure at \$515 per linear foot versus the \$790 typical cost in the Village Revitalization Plan.

This cost differential is particularly acute in White River Junction, which developed around the railroad station and rivers, and has very little physical space for rights-of-way and utilities. The Village has narrow streets and a minimal amount of space along the River and railroad rights-of-way, which make wholesale renovation of streets and utilities complex and expensive. This is in addition to the need for traffic control. As an example (per the Village Revitalization Plan's cost estimates), the renovation and provision of utilities on streets in downtown White River Junction requires significant contingency costs— typically 20% to 25% of total project cost, rather than the 10% -15% contingency typically carried for greenfield development sites. Other examples of the increased costs working in White River Junction include allowances for re-establishing existing customer connections to utilities, relocating existing hydrants and street lights, and removing or tying in to existing sidewalk. As two salient examples, this type of downtown-related cost is estimated to add 12% to the North Main Street streetscape project cost and 15% to the cost of the North Main Street water main.

Still, another challenge is the environmental contamination left over from the railroad and industrial uses. The costs associated with the evaluation, monitoring, and ultimate clean-up for reuse of these urban areas often redirect funds that otherwise could be used by the private sector to share the cost of public infrastructure. Such is the case with the Prospect Street and Pine Street projects.

With ample site opportunities available in the Upper Valley, particularly in New Hampshire, the Town of Hartford's planned investments represent the difference between enabling modernization and revitalization of the downtown or ensuring that it will support only those

marginal reinvestments and re-uses that can be supported by the existing infrastructure, traffic, and parking systems.

Therefore, but for the Town of Hartford's willingness to develop modern public infrastructure systems sufficient to serve compact, high-density uses in the downtown, and but for the availability of TIF based financing that uses the future tax payments of private investment to support of the increased initial cost, the Town of Hartford will only be able to support small, incremental changes in the downtown and will not be able to support the statutory goals of providing economic vitality, expanded employment opportunities, and remediating brownfield issues.

TIF Boundary Description and Parcels Encompassed: The proposed TIF District is entirely within the State designated Hartford Growth Center and contains the White River Junction Designated Downtown. Please see the map, Attachment 5B.

Public Infrastructure Projects Planned: The public improvements planned identify specific road/utility reconstruction, traffic management, public space, and parking improvements necessary to support the Town's objectives for the Designated Downtown and Growth Center. The projects are in four major categories:

1. **Utility and Infrastructure Improvements:** Significant upgrades to sewer, water, stormwater and communication systems are required to be done in conjunction with street and sidewalk reconstruction.
2. **Sidewalk and Streetscape Improvements:** Upgrades to sidewalk and streetscape in conjunction with street and utility reconstruction and upgrades, supporting a walkable, high-density downtown environment. This includes enhancements to street trees and furniture, signage, and plantings on reconstructed streets and parking areas in the downtown.
3. **Parking and Roadway Improvements:** Reconstruction and expansion of an existing public parking lot into a 180 space parking deck on the Miller Auto/Legion site to provide parking capacity to serve higher densities in the downtown. Unlike any other section of the Town, the Hartford Zoning Regulations delineates a parking zone where property owners can use public on-street and municipal parking lots to meet required parking for permitted commercial and residential uses. This was established in 2008 to facilitate redevelopment of WRJ. Therefore, reconfigured and new parking lots and improved roadways in other sections of the TIF district also will allow for better circulation and will improve the overall conditions of the area.

The projects and their relationship to the real property development that would be spurred in the TIF District by each one are identified in Table 6H, Table 6L, and the Nexus table. Most of the infrastructure improvements have multiple objectives, including improving traffic flow and pedestrian conditions, replacing deteriorated sidewalks, upgrading water, sewer or stormwater

systems, adding and upgrading street lighting, and adding street furniture and plantings. In brief, the improvements are:

1. **North Main Street Reconstruction:** Create sidewalks, pedestrian crosswalks and reduce travel lane width to slow traffic speeds and create additional landscaped areas; upgrade stormwater treatment; relocate and upgrade street lighting; and install street trees, plantings, and street furniture.
2. **South Main Street Reconstruction:** Reconstruct water main, replace deteriorated sidewalk and curbing, and install bus shelter, street trees, benches and lighting in dilapidated section of South Main Street.
3. **Gates Street West:** Replace deteriorated sidewalk and curbing, replace crosswalk striping, and install street trees, benches and lighting.
4. **Gates Street East:** Reconstruct Gates Street roadway base and surface, replace water line, construct new sidewalks and reinforce one-way circulation onto Gates Street.
5. **Currier Street:** Construct water main, reconstruct sidewalk to make handicapped-accessible, tie in roadway to new sidewalk, and add streetscape and trees.
6. **Currier Street Extension:** Construct water main and install plantings and street furniture.
7. **Downtown Park and Parking Lot Improvements:** Improve traffic flow, connectivity between transit, train and parking areas and improve utilization of parking lots with new sidewalk and curbing, curb bump-outs, plantings, traffic and pedestrian signage, lighting and plantings.
8. **Miller Auto/Legion Lot Parking Deck:** Develop three-story, 240-space public parking deck (in conjunction with private development of multi-story mixed-use building) to create retail promenade leading into center of downtown, with public pocket park space/open space also used for stormwater infiltration. Reconstruct stormwater, water and wastewater utilities, and install streetscape, landscaping and street furniture.
9. **Railroad Row Extension and Parking:** Construct turn-around at end of Railroad Row to facilitate train station drop off and pick ups; add curbing and extend street to define existing parking spaces, add additional parking, install stormwater management, extend and reconstruct sidewalks, and install streetscape and landscaping
10. **Prospect Street:** In conjunction with developer, realign, reconstruct and extend Prospect Street; upgrade water, wastewater and stormwater systems; underground utilities; install streetscape, landscaping and street furniture; construct sidewalk, riverwalk, and park; and repair riparian buffer.

11. **Maple Street:** Intersection improvements at Prospect Street and Listen driveway to accommodate increased traffic from adjacent developments.
12. **Pine Street:** Reconstruct parking lot; upgrade streetscape, sidewalk, lighting and utilities including stormwater.

Description of Anticipated Private Real Estate Development: Through Hartford's partnerships with landowners and developers, eight redevelopment initiatives have been outlined that will be accomplished within the TIF period and yield an incremental increase in tax revenues to the Town and State.

1. **Prospect Place:** Redevelopment of deteriorated industrial sites into a four, new mixed-use buildings with retail at street level, office on the second and third floors, and condo residential on fourth floor. The fifth building will be four stories, with 40 residential condos, include 50% of the units for workforce housing. Built in three phases, this project will include demolishing existing structures, cleaning-up of a documented brownfield site, correcting stormwater run-off into adjacent Connecticut River and reducing impact on river's riparian buffer, new public park and walkway along the river, relocation and extension of town road, and expansion, upgrading, and undergrounding utilities.
2. **Northern Stage & Currier Street:** A new, 45,000 SF theater main stage with 320 seat capacity, 3/4 thrust stage educational theater that is 99 seat flexible black box, lobby with café/bar, theater classrooms, rehearsal halls and administration offices on site formerly referred to as Miller Auto (all nonprofit). Potential for an additional 79,100 SF for other general commercial space, and 36,650 SF for residential space in two phases in multiple buildings.
3. **Northern Hospitality Limited Partnership & Gates-Briggs Partnership:** Complete redevelopment of existing hotel, theater, and mixed-use, three-story building that encompasses one complete city block on two adjoining properties. Phase 1 is a total renovation of existing retail/commercial building with 21,588 SF of basement and street level retail, 13,267 SF of office, eight townhouse-style condos, performing arts center on the second and third floors, and five loft-style condos on new fourth floor. Phase 2 redevelopment of hotel site with 23,808 SF of retail at street level, 24-room hotel on second and third floors, and 43 residential condos on the second, third and fourth floors (13 of the condos will be workforce housing).
4. **Main Street Renaissance:** Redevelopment of former car dealership parking area into four-story, mixed-use building with 5,200 SF of retail at street level, 10,400 SF of residential on upper levels (Phase 1); 40 surface parking spaces and 25,775 SF of office space over parking (Phase 2).
5. **Gates East & South Main Streets Redevelopment:** Consolidation and redevelopment of multiple parcels on Gates Street Extension and South Main Street with mixed-use residential and commercial development. Renovation of 23,600 SF of existing commercial

(Lot 46-34), redevelopment of remaining lots into 18,217 SF of new commercial space at street level, and 13,052 SF of new residential on upper floors.

6. **Pine Street Redevelopment:** Consolidation and redevelopment of parcels along Maple and Pine Streets in three phases with retail and other mixed-use development, including expanded supermarket to serve the downtown. Built in three phases, this project includes remediation of brownfield site. Phase 1 includes the renovation of 9,801 SF of existing commercial, 26,041 SF of new commercial, and 16,000 SF of new residential. Phase 2 includes the renovation of 16,252 SF of existing commercial, 5,550 SF of new commercial, and 4,500 SF of new residential (Block C). Phase 3 includes 9,801 SF of renovated commercial, 26,041 SF of new commercial, and 16,000 SF new residential (Block D).
7. **Listen Development & Maple Street:** Extension of Prospect Street mixed-use development across the street along Maple Street and the Connecticut River, continuing the riverwalk park and incorporating residential and commercial uses. Redevelopment of existing commercial into 48,104 SF of new commercial and 17,000 SF of new residential.
8. **Bridge & North Main Streets Gateway:** Phase 1 includes the renovation of 1,083 SF of existing retail and redevelopment of vacant site (former commercial/residential development destroyed in fire) into 10,000 SF of new commercial and 5,000 SF of new residential. Phase 2 will renovate 11,879 SF of existing commercial and 4,625 SF of existing residential, and add 25,274 SF of new residential in multiple mixed use buildings.